

## COUNCIL MEETING

JULY 8, 2020

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Arryl Kaneshiro at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, July 8, 2020 at 9:11 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock  
Honorable Felicia Cowden  
Honorable Luke A. Evslin (*via remote technology*)  
Honorable Ross Kagawa  
Honorable KipuKai Kualī'i  
Honorable Arryl Kaneshiro

Excused:     Honorable Arthur Brun\*

Council Chair Kaneshiro:     Please note that we will run today's meetings pursuant to the Governor's Supplementary Emergency Proclamation dated March 16, 2020, Sixth Supplementary Emergency Proclamation dated April 25, 2020, and Seventh Supplementary Emergency Proclamation dated May 5, 2020.

### APPROVAL OF AGENDA.

Councilmember Chock moved for approval of the agenda, as circulated, seconded by Councilmember Kualī'i.

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

Council Chair Kaneshiro:     Is there any discussion on the agenda from the members?

The motion for approval of the agenda, as circulated, was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro:     The motion is carried. Next items are the minutes.

MINUTES of the following meetings of the Council:

June 17, 2020 Council Meeting

June 17, 2020 Public Hearing re: Bill No. 2793

June 24, 2020 Special Council Meeting

Councilmember Chock moved to approve the Minutes as circulated, seconded by Councilmember Kualii.

*(No written testimony was received and no registered speakers requested to testify regarding these agenda items.)*

Council Chair Kaneshiro: Is there any discussion on the minutes from the members?

The motion to approve the Minutes, as circulated, was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Clerk, can we skip to page 2, C 2020-177. We have one (1) testifier. We want to allow them to testify now, at this time.

There being no objections, C 2020-177 was taken out of order.

COMMUNICATIONS:

C 2020-177 Communication (06/22/2020) from the Managing Director, requesting Council approval to accept and expend additional Emergency Use funding in the amount of \$38,542,373.54 from the State of Hawai'i pursuant to Act 12, Session Laws of Hawai'i 2018 as amended by Act 35, Session Laws of Hawai'i 2019, for disaster relief and mitigation measures, as a result of the heavy rains and flooding that occurred in April 2018.

Councilmember Kagawa moved to approve C 2020-177, seconded by Councilmember Kualii.

Council Chair Kaneshiro: With that, I will suspend the rules. Maka'ala, you are the sole testifier on this item. You will have a total of six (6) minutes, if you need it. I am not sure if you can see the light on the screen, but it will turn yellow when you have thirty (30) seconds, and red when your six (6) minutes are up. You may start and state your name for the record, please.

There being no objections, the rules were suspended to take public testimony.

MAKA'ALA KA'AUMOANA: *Mahalo*, Chair. Yes, I can see the light. My name is Maka'ala Ka'aumoana, I am the Executive Director for the Hanalei Watershed Hui (HWH). We wanted to testify today, specifically in strong support to accept and expend the funds appropriated in this communication. This money provides urgent and longer term work to reduce the impacts of flooding on Kaua'i. Specifically, the north shore has engaged, as you all know, in community resilience and flood mitigation planning for decades. This funding is required to implement those plans. We appreciated the previous support of this Council in Resolution No. 2019-73, which recognized the need for science and data to guide our process. We would like to thank Representative Nadine K. Nakamura for her support and hard work on this, and Mayor Derek S.K. Kawakami, for supporting our community in this way. This is an example of true collaboration and the results will benefit us all. This money is for "boots in the mud" and solid science, for sure, will make the differences the community is calling for. Councilmembers, *mahalo*, for your support and community-based planning and fact-based efforts. That is it. *Mahalo*.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Thank you. With that, we will go back to the interview for the Board of Ethics.

#### INTERVIEW:

##### BOARD OF ETHICS:

- Kelly M. Gentry — Term ending 12/31/2022

Council Chair Kaneshiro: Ellen, I am sure you have a fabulous introduction for Kelly, as you always do. However, we cannot hear you.

ELLEN CHING, Boards & Commissions Administrator: Can you hear me?

Council Chair Kaneshiro: Yes, we can hear you now.

Ms. Ching: Great. If I can do a little bit of a test for Kelly, she has been having problems with her audio. Kelly, are you able to hear us? Kelly? Let me check with her now.

SCOTT K. SATO, Deputy County Clerk: Kelly, is your microphone still muted?

Ms. Ching: Hi, Kelly. Scott, are you seeing her on mute?

Mr. Sato: Actually, she just left the meeting.

Ms. Ching: Oh, darn.

Council Chair Kaneshiro: Another option may be—I do not know, Ellen, if you were texting her, but you might have to call her and put her on speaker or something like that to make it work.

Ms. Ching: Okay.

KELLY M. GENTRY: I can hear you all now.

Council Chair Kaneshiro: Okay, we can hear.

Ms. Gentry: I am not entirely sure, if you can see me.

Councilmember Cowden: We can hear you.

Ms. Ching: Yes, we can see and hear you now.

Council Chair Kaneshiro: Okay, so Ellen...

Ms. Gentry: I am sorry I just assumed it was a privacy thing, so I could not hear you all.

Council Chair Kaneshiro: Ellen, we will let you start and then Kelly can chime in right after that. I am sure you will give a good introduction for Kelly.

Ms. Ching: Thank you, Chair and Councilmembers. Good morning, Ellen Ching, Boards & Commissions Administrator. This morning I am happy to introduce Kelly Gentry. Kelly earned a Bachelor's Degree in Social Work and Nonprofit Management from the University of Wisconsin Superior. For many years she travelled the country working in various communities, establishing services in new models and support for victims of human trafficking. Her life took a turn when she decided on a hiatus from a very stressful career and made a move to St. Thomas in the Caribbean and met her husband. After seven (7) years, they decided to leave the Virgin Islands to support their daughter's desire to pursue a college education on the mainland and settled in Chicago, but island life kept calling and with the devastation of Hurricane Irma, returning to the Caribbean was not an option, so they settled on Kaua'i with their three-year-old son, Owen. Kelly currently works at the Young Women's Christian Association (YWCA) providing alternatives to violence therapy to offenders. When she is not working she enjoys hiking, swimming, reading, yoga, and eating her favorite Greek food. She is a life-long learner and traveler. When asked, "If money was no object, where would you travel to?" She immediately said, "Egypt." Kelly has never

served on a board or commission. With her wide range of professional and personal experiences, I am grateful that this active mother is willing to lend her energy and talents to the Board of Ethics. Thank you.

Council Chair Kaneshiro: Okay, thank you. Kelly, do you have anything to add to that introduction?

Ms. Gentry: I do not. Thank you, Ellen.

Council Chair Kaneshiro: Are there any questions for Kelly?  
Councilmember Cowden.

Councilmember Cowden: Thank you so much Kelly for being willing to work on the Board of Ethics. What is your understanding of the responsibilities of the Board of Ethics?

Ms. Gentry: As I looked through and read the requirements and expectations, I look at this as an opportunity as checks and balance for our elected officials. I think it is really important in establishing a healthy and driving community that there is this sort of higher level of expectations that we have for them and this is a way to make sure that they are following along with that.

Councilmember Cowden: When you are looking at that, is there any kind of training that you get or any kind of expectation...if there is someone before the Board of Ethics that might be under consideration, how are you able to see both sides of the issue? Is there training on what you are going to be facing so that you are able to make a fair decision? Have you had any exposure to what would be expected of you so that you can treat someone before the Board of Ethics with ethical behavior?

Ms. Gentry: I have not had any formal training.

Councilmember Cowden: Okay. Have you been told that there would be any training?

Ms. Gentry: I have not.

Councilmember Cowden: Okay, thank you.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Kelly for volunteering to serve on this very important board. I am just curious if there is a specific motivation around any issues that you believe need to be addressed at this commission that has caused you to take action.

Ms. Gentry: There is not. It has been a practice of mine in all communities that we live in to do something outside of my day-to-day expectations of work and family to support the community that I am raising my children in. This is a new thing for me, I have never been a part of local government, never served on any board or commission of this sort. Up until now, I have always put myself into nonprofit arenas, but for me, it is an opportunity to be more proactive to learn more about the community that I care about and live in. I definitely wanted to get myself involved in something different.

Councilmember Chock: Thank you.

Council Chair Kaneshiro: Are there any further questions for Kelly?  
Councilmember Kualii'i.

Councilmember Kualii'i: I do not have a question, I just wanted to say, of course I am familiar with your great work at the YWCA. I really appreciate you stepping up and being willing to serve, and I love what you just said about supporting your community where you are raising your children and learning more about the community that you care about. We need more people to step up and be commissioners just like you. Thank you so much.

Ms. Gentry: Thank you, KipuKai.

Council Chair Kaneshiro: Is there anyone else? Councilmember Kagawa.

Councilmember Kagawa: Kelly, I just want to thank you for volunteering to serve. Like us, on the Council, a lot of us are laypeople and it is about having the heart and integrity to make the right decisions for the people. I am going to support your nomination and just appreciate that you are willing to step up and do good work for the County of Kaua'i, so thank you.

Ms. Gentry: Thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I just wanted to, again, thank you for being willing, I am encouraged when I hear your background is in these very difficult issues like child sex trafficking, that you would recognize that there are multiple dimensions to different issues that come before you and how important it is to actually be taking a serious look at what is being put before you and not simply being guided. Thank you.

Ms. Gentry: Thank you.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Just to repeat what my colleagues have said, "Thank you, Kelly." Anyone willing to serve in a volunteer capacity in one of our County's Boards & Commissions is a hero in my mind, so I appreciate your willingness to put yourself forward and spend the time doing that. I am sure you are going to do a great job.

Ms. Gentry: Thank you so much. I look forward to it.

Council Chair Kaneshiro: Is there anyone else? If not, I just want to say, thank you, Kelly for being willing to volunteer for this important commission. As far as training goes, I was on the Cost Control Commission before I was on Council and we did have training on Robert's Rules, how to conduct a meeting, I am not sure if we are still doing that now with COVID-19, but I know our Boards & Commissions use to do it every year for anyone that wanted to be part of it; even councilmembers to relearn it. I do know that even in your commission, there are a lot of resources on telling you how to run a meeting, how the meeting is going to go, then as far as decision-making, the decision-making is going to be all you, which I think everyone puts their faith in those that you are going to make the decision that you feel is right and you are not going to be influenced by anyone or anything besides what decision you want to make. As far as how the meeting will go, I am sure Ellen will provide the resources and you have other people that have probably been on the board long enough to kind of help guide you on how these meetings go. There is usually, I think, a County Attorney that sits in on that meeting also to make sure that the meeting runs smoothly. As far as how you make decisions on ethics, I think that is the point of having such a wide variety of people on the board take their values, character, and you make the decision that you feel is right sitting on the board, so I really appreciate you being there. Councilmember Cowden.

Councilmember Cowden: I just wanted to comment on training. I have been on three (3) boards and we were robustly trained on Robert's Rules of Order. In no board that I have ever been on, where we have trained anything about the matter of which we have responsibility about the consequences of decisions or anything of that direction, so it just is very important to be looking and learning and not simply to be guided. Thank you.

*(Councilmember Chock was noted as not present.)*

Council Chair Kaneshiro: Again, with that thank you, Kelly. The vote will come up at the next meeting. Thank you for your time.

Ms. Gentry: Thank you for your time. It was a pleasure meeting you all.

Council Chair Kaneshiro: Next up, is our consent calendar.

CONSENT CALENDAR:

C 2020-172 Communication (06/08/2020) from the Director of Finance, transmitting for Council information, the Period 10 Financial Reports – Statement of Revenues, Statement of Expenditures and Encumbrances, Revenue Report, and Detailed Budget Report as of April 30, 2020, pursuant to Section 21 of Ordinance No. B-2019-856, relating to the Operating Budget of the County of Kauaʻi for Fiscal Year 2019-2020.

C 2020-173 Communication (06/10/2020) from Council Chair Kaneshiro, providing written disclosure of a possible conflict of interest and recusal relating to C 2020-169, regarding a Right-of-Entry Agreement to construct and/or repair portions of Puhi Road for sidewalks and grading, as well as for construction related to the Puhi Road drainage system, as he is employed by Grove Farm Company, Inc.

C 2020-174 Communication (06/23/2020) from the Director of Finance, transmitting for Council information, the Period 11 Financial Reports – Statement of Revenues, Statement of Expenditures and Encumbrances, Revenue Report, and Detailed Budget Report as of May 31, 2020, pursuant to Section 21 of Ordinance No. B-2019-856, relating to the Operating Budget of the County of Kauaʻi for Fiscal Year 2019-2020.

Councilmember Kagawa moved to receive C 2020-172, C 2020-173, and C 2020-174 for the record, seconded by Councilmember Kualii.

Council Chair Kaneshiro: Is there any discussion from the members on the Consent Calendar?

*(No written testimony was received and no registered speakers requested to testify regarding these agenda items.)*

The motion to receive C 2020-172, C 2020-173, and C 2020-174 for the record was then put, and carried by a vote of 6:0:1\* *(Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kauaʻi, Councilmember Chock was noted as silent (not present), but shall be recorded as an affirmative for the motion).*

Council Chair Kaneshiro: The motion is carried. Next item, please.

COMMUNICATIONS:

C 2020-175 Communication (06/17/2020) from Bryson Ponce, Assistant Chief of Police, Investigative Services Bureau, requesting Council approval of the indemnity provision within the Paul Coverdell Forensic Science Improvement Grant contract (request to apply for, receive, and expend grant funds approved during the February 5, 2020 Council Meeting), which will provide funding from the State of Hawaiʻi Department of the Attorney General to prepare for ANSI-ASQ National Accreditation Board (ANAB) in the forensic disciplines of Crime Scene Investigation and Friction Ridge Collection and Enhancement.



Councilmember Kagawa moved to approve C 2020-175, seconded by Councilmember Kualii.

Council Chair Kaneshiro: Are there any questions on this item? If not, we received no written testimony and no one signed up to testify. Is there any discussion or questions from the members on this item? Councilmember Cowden.

Councilmember Cowden: I just wanted to comment that in the Citizens Police Academy that I took, I was quite impressed with what happens in that crime scene investigation effort and that it is really good what we do. I want to acknowledge that we are continuing with it and it has been very worthwhile. I appreciate the effort that the Police Department makes to get the grants.

Council Chair Kaneshiro: Councilmember Kagawa.

*(Councilmember Chock was noted as present.)*

Councilmember Kagawa: I fully support this type of effort. I think we all see Bryson from time-to-time show up and there are cold cases on the news that they are trying to solve. These types of technologies will help the County of Kaua'i to uncover some of those mysteries where there are no witnesses or what have you. I think going forward, giving our Kaua'i Police Department (KPD) the best tools they have to uncover some of these cold cases, as well as new cases, I think is very valuable for our community and the safety of our community. Thank you.

Council Chair Kaneshiro: Is there anyone else?

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

The motion to approve C 2020-175 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item.

C 2020-176 Communication (06/18/2020) from Councilmember Evslin and Councilmember Chock, transmitting for Council consideration, a Proposed Draft Bill to amend Chapter 5A, Article 11, Kaua'i County Code 1987, as amended, relating to Real Property Tax.

Councilmember Chock moved to receive C 2020-176 for the record, seconded by Councilmember Kualii.

Council Chair Kaneshiro: We did not receive any testimony and have no one signed up to speak on this item. We will be hearing the Bill later on in the agenda. Is there any discussion from the members on this item?

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

The motion to receive C 2020-176 for the record was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item.

C 2020-178 Communication (06/24/2020) from the County Attorney, requesting Council approval to indemnify and hold harmless, the eHawaii.gov entities from claims of third parties arising out of the use of the services or materials provided. The agreement will provide free access to the Bureau of Conveyances LandShark Platform in order to review deeds of conveyances, grants of easements, rights of entries, mortgage releases, land leases, infrastructure agreements, and etcetera.

Councilmember Kualii moved to approve C 2020-178, seconded by Councilmember Chock.

Council Chair Kaneshiro: Jade, we need to go back to C 2020-177, we did not finish that one. We are on C 2020-178. Are there any questions on this item?

Councilmember Cowden: I have a question. Matt is with us, correct?

Council Chair Kaneshiro: Correct.

Councilmember Cowden: Matt, can you just explain to us quickly what the LandShark Platform is.

There being no objections, the rules were suspended.

MATTHEW M. BRACKEN, County Attorney: The LandShark Platform is the State's platform, which will give us access to the Bureau of Conveyances documents. So what we will use it for is to pull deeds, depending on construction contracts, whatever we need to pull deeds for or land purchases or whatever else, this just gives us access to what the State has for free.

Councilmember Cowden: Great, thank you.

Council Chair Kaneshiro: Okay. Is there anyone else? Again, we received no written testimony and no one registered to speak. Is there any discussion from the members on this item?

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

The motion to approve C 2020-178 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Clerk, can we go to C 2020-177.

C 2020-177 Communication (06/22/2020) from the Managing Director, requesting Council approval to accept and expend additional Emergency Use funding in the amount of \$38,542,373.54 from the State of Hawai'i pursuant to Act 12, Session Laws of Hawai'i 2018 as amended by Act 35, Session Laws of Hawai'i 2019, for disaster relief and mitigation measures, as a result of the heavy rains and flooding that occurred in April 2018.

Council Chair Kaneshiro: With that, I will suspend the rules. Mike will go through some of the projects and give us a brief description on the projects and maybe just a brief description on the thirty-eight million dollars (\$38,000,000) also. I believe this is money from the State that we had from the north shore flooding a few years ago. Mike, you have the floor.

There being no objections, the rules were suspended.

MICHAEL A. DAHILIG, Managing Director: Chair, can you hear me alright?

Council Chair Kaneshiro: Yes.

Mr. Dahilig: Good morning, Chair and members of the Council. Mike Dahilig, Managing Director, for the record. I am requesting on behalf of the Administration, the receipt and acceptance of remaining funds out of moneys originally appropriated by the State Legislature to fund response and recovery related to the April 2018 flood. The amount of thirty-eight million five hundred forty-two thousand three hundred seventy-three dollars and fifty-four cents (\$38,542,373.54) that is before you, is moneys that were not expended by the State due to the State Department of Transportation being able to recover the cost of this from the Federal Highways Administration through their emergency funds rather than using State moneys. Over the past few months, the Administration has been working with the Legislative Delegation, as well as other stakeholders to try to figure out how to work with the Hawai'i Emergency Management Agency (HI-EMA), which held responsibility for these funds to one, see if the moneys from the lapsing by June 30<sup>th</sup>, so the moneys that were in hold based off of Act 35, Session Laws of Hawai'i 2019, would have lapsed at the end of this fiscal year. The second was to be able to figure out how to work HI-EMA since they were responsible with the funds and the State our Kaua'i Legislative Delegation, to figure out how to disburse the funds and have the county be the encumbering agency to be able to again, preserve the moneys as well as disburse it in align with the recovery efforts across the island. One thing to keep in mind is that

Act 35, they did on purpose of the moneys, which allowed the moneys to be used for mitigation efforts, and that is a very significant distinction, whereas Act 12, only required that it could be used for just response and recovery. So the mitigation opportunity that Act 35 presented to any state agency and the county via our portion of Act 12, which was twenty-five million dollars (\$25,000,000) that we currently hold right now, was to be able to use the moneys for broader uses to help the resilience within our community for future flooding events. What you see before you is a list of the number of projects that have been agreed to by HI-EMA through General Hara, who is the head of that department, as well as the Kaua'i Legislative Delegation, and Mayor Kawakami. There are a number of projects that relate to either stream clearing as sub-grants of planning for resilience in watershed areas. Part improvements in the north shore area regarding a response in our base yards and life style items related to mitigating parking issues on the north shore and the implementation of further parking mitigation efforts related to overtourism in the north shore. One thing of notice and it is the largest ticket item in the list—again, because Act 35 does allow for mitigation is two (2) projects that related to our items on the west side, one regarding Waimea levee and flood gate repairs and the other one regarding Waimea stream crossing. Let me go over those just for a second. The Waimea levee and stream flood gate repairs, as we know, Waimea Town has been the set by a number of flooding issues over the past few years. We also know that the levee that is protecting Waimea Town is not the current standard of flood line to be able to have the area not be considered a flood area pursuant to the federal flood program. So what this eighteen million dollars (\$18,000,000) as proposed would do is one, provide mitigation for a lot of the flooding issues that are already out there, but to try to bring the levee into compliance so that we not have residents in that area that require high cost flood insurance from the federal government. The other item is stream crossing issue that there was a community across Waimea Stream, that has had issues with access due to their fort being flooded out. At the request of Representative Morikawa, we worked with her and the community to be able to fund this propose funding for this area to be able to reestablish a vehicular access to this residential and for a community that has lost access due to that. Other than that Chair, the list before you, we request the Council's acceptance and obligation to expend these funds and if you have any questions, I am available to answer them. Thank you.

Council Chair Kaneshiro:

Okay, thank you. Councilmember Chock.

Councilmember Chock:

Thank you, Chair. Thank you, Mike, for the overview. I really appreciate the long, arduous journey to get here in receiving these funds. I know it has been difficult and has gone in a circle. I just have a question around the contingency funding that you have in the last line item and if you could explain the two million dollars (\$2,000,000) that you have there.

Mr. Dahilig:

Actually, we have two (2) areas that kind of relate to stub-outs for future needs. So what is actually set for the two million dollars (\$2,000,000) that is the mitigation sub-grants, what that is meant to do is take

some of the planning items that are being done and hopefully have funding available for implementation. The contingency would be able to sway in some of those activities, as well as if any of the hard Capital Improvement Projects (CIP) items do run over budget. So that is what the contingency is meant for. It is not meant to expand the scope of any other project on here other than backup some of the items that are beyond here.

Councilmember Chock: Thank you. As a follow-up, it sounds like it is backing up the Planning sub-grant and that work to come to an agreement on how to manage our watersheds. So I am curious, because the elephant in the room is sort of jurisdictional oversight in where the county and the state lines are delineated, as it relates to this funding for Planning, is it the intent for that to come to some conclusion or separation of whose *kuleana* it will be or is the Planning funds specific to the project that is at hand that we have funding to complete?

Mr. Dahilig: You bring up a good question, Councilmember Chock. It is a decades-long issue that is parallel to a lot of the conversations that you hear about with roads in limbo and whose responsibility is it to do such work. A lot of the debate rests on the interpretation of Hawai'i Revised Statutes (HRS), Section 46-11.5, which discusses the county's obligation under state law to maintain channels, stream beds, stream banks, and drainage ways. The language, quite frankly, in that statute is circular and it is what we believe leads us to only be responsible for channels, stream beds, stream banks, and drainage ways that the County owns. The very last sentence of that statute requires that the State or the privately owned areas are responsible for that maintenance. So we run into a bit of an issue when we are going to have to do maintenance on either private land or land owned by the state, where we would then have to go in and ask for rights-of-entry and in particular, if it is State land, we have to ask for permission from the State Department of Land and Natural Resources (DLNR), which tends to be a very arduous and months long process. We do not believe that at this time it is financially or operationally in the county's interest to create an office, department, or division that focuses strictly on stream maintenance. We believe in doing so we would one, have issues with being inconsistent in how we interpret HRS Section 46-11.5, but also we would have issues with the financial liability on being able to do this properly and consequentially any damages liability should...that type of work be put within the province and responsibility of the County, so that is why in this funding have been earmarking moneys as sub-grants to either lessors or owners to do the stream channel maintenance within their areas as to avoid having to get rights-of-entry, liability questions resolved, and also make sure to at least have moneys to be able to do the work themselves.

Councilmember Chock: Thank you. I think that is really important to how we can streamline this, as we know it takes a long time and effort just to get to access and mitigate some of these needs. My last question is around the parking studies that we have slated and there has been a lot of discussion here about how we can

manage parking particularly for visitors and what the capacity is for these parking areas. Are these funds that you have stated here today going to also look into how to mitigate those needs?

*(Councilmember Kagawa was noted as not present.)*

Mr. Dahilig: I think it builds an ongoing effort that Joel Guy and his crew and the Hanalei Initiative have that has already been implemented as part of the Ke'e Beach Initiative. We have already provided county funding for parking as part of the reopen back in 2019, so far the shuttle program, as well as what has been going on around the shuttle program before COVID-19 seemed to have a lot of positive results, but one gap area continues to be park and storage. So right now, a lot of the parking areas used to facilitate the shuttle program are right now just—I would not use the phrase, “Band-Aid” loosely, but they are not long-term strategies for being able to see less rental cars to shuttle to beach types of situations. We hope that with the study grant that the Hanalei Initiative would be able to find a long-term solution for that and be able to implement a long-term solution to be able to have the shuttle program be seamless and not a problem.

Council Chair Kaneshiro: Councilmember Cowden, then Councilmember Kualii.

Councilmember Cowden: Thank you. I am very happy to see this, I applaud this effort and I want to acknowledge these great points of emphasis from Councilmember Chock. I have been working a lot with these different individuals in the river plains that have had problems, so I am thrilled to see this, actually, because it has been long needed. My question is surrounding, are we working to identify some way to develop partnerships between the County and the State? Because our dynamic watersheds are really changing right now with all of this Albizia tree overgrowth and other types of invasive plants and the increasing hardened development inside these floodplains, so even if the watersheds are state, those developed properties are county, and the people in it are that way, so when we do this, is this simply, “We get the money and we get to know what to do with it.” Or did I hear you correctly, that it will come with some partnering with the state in helping us.

*(Councilmember Kagawa was noted as present.)*

Mr. Dahilig: I think you bring up a good point, Councilmember. I do want to confirm and impress upon the Council and their position on trying to acquire with the state to maintain community and work with the state on trying to find broader solutions, rather than get into a pointing game. Unfortunately, we have bad experiences in the past where we get into the pointing game and our communities get put in the bad type of situation, which we do not want to do. A “class A” example was when the Waimea River Mouth was suddenly dropped off of the State’s

program and the County had to jump in to be able to make sure that Waimea does not flood. That is not the type of cooperation/communication we want to see. We want to see the types of things where we can give resources like these and we are very thankful for them; where it benefits both the state and the county. Just a thought, the extent of the partnership, just to answer your question Councilmember, is simply the granting of the money from HI-EMA to help take care some of the stream clearing items that you see on the list, as well as mitigation in the future, but in terms of the comprehensive islandwide plan, it would have to be something that has to be warmly welcomed, developed, and resourced properly at the state and the county.

Councilmember Cowden: A follow-up on that, is the Waimea stream crossing where the river has sort of taken it out, where cars cannot get across it any longer. How will this two million three hundred thousand dollars (\$2,300,000)—will that actually fix the stream crossing? Can we put a ford on the river there?

Mr. Dahilig: Absolutely, there was one previously and there actually has been engineering design work in the amount of five hundred thousand dollars (\$500,000) from a previous state appropriation that has been done already. So this is meant to actually implement that construction project, so we already have those design plans in hand.

Councilmember Cowden: In Wainiha, I noticed up at the (inaudible) where the river forks, that looks like what has been there for a couple hundred years, it has been destroyed. The rocks are not right there, so we are seeing a lot of change in the river a little further down, so those houses in the river delta are all stressed along the changing riverbank. Is this just a study or does it actually help to fix that area up there? And are we hiring local subcontractors to fix that?

Mr. Dahilig: You bring up a good point concerning the dynamic nature of Wainiha. From what has been told to me, the place name of Wainiha should give an indication of the violent nature of water as it goes through that *ahupua'a*. Having looked at the situation you are describing, Polly Phillips and myself walked up there with some landowners to take a look at where the delta splits-off. What we were noticing is that the actual volume of water that came through with the "Rain 18" event had slightly changed the course of the water that goes from *mauka* to *makai*. What is very apparent...we also know from science that water always moves downhill and it is going to find its path of least resistance and what has been happening is there was an ancient *ala wai* system that had bisected the mouth up and has now created a point of weakness where now water is flooding more during rain; minimal flooding events. We would hope that part of the study that the HWH would be conducting will take a look at how to manage that change in course in an environmentally sound way. Some of the concerns about trying to harden roads on the delta at Alaeke have been...the residents call the bay their ice box and if we put structures or things that are petroleum based, it could affect their livelihood and their ability to sustain themselves through fishing. We

have to be very careful as to what we do with the delta to ensure that it is in line with the environmental values of the community while being able to maintain access to those residents that are out there.

Councilmember Cowden: Thank you for clarifying the meaning of the word in English of (inaudible) where it separates the water. When we do the studies up there and we are looking about hardened surfaces, will any of this look at the impacts like many of the houses that are up there in the tight 'ili? They have had concrete foundations and driveways, so it creates scouring around them that impacts the down flow, across the road house, and basically putting a cavern in that area, it seems that this grant and doing the study is worthwhile, so we look at the impacts of the erosion and the scouring around hardened surfaces as we are permitting the building of these houses and the driveways, especially in a tight valley area where it is impossible to think that we would not have high flooding on almost any serious rain. So I appreciate what is happening here. This will be locally contracted study, so people who live within these areas are going to have a greater level of input than what maybe happens on O'ahu with the DLNR.

Mr. Dahilig: Put it this way Councilmember, when you look at the organizations that are going to be receiving some grants, all of the organizations are Kaua'i organizations. So the actual implementation that you are describing still is up in the air, because we are not sure what the studies will show and one of the studies will be able to be implemented and that is where the seven million two hundred thousand dollars (\$7,200,000) of funding comes in. I think we share your thoughts on this and we want to keep as much money of this thirty-eight million dollars (\$38,000,000) on-island, especially in light of the economic situation that we are generally feeling across the board. So that would be one of the items in our thought process that studies do; point towards mitigation opportunities, in terms of CIP, that we would impress upon either those that are responsible for spending the implementation money or vice versa if we go out for bids, that we keep in mind that we want to keep as much of this money on-island as possible.

Councilmember Cowden: Thank you very much. I am very excited about this and I support it wholeheartedly.

Council Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: My question was on that line item, the north shore watershed mitigation sub-grants of the seven million two hundred thousand dollars (\$7,200,000), I just wanted you to explain that in more detail and would that involve an application and an award process, because this is a sub-grant? If so, who is eligible and how do they apply? The last part of my question is, why is it limited just to the north shore? If it is similar to the contingency funds and about preventing future floods and what have you; the stream channel management and some of the other



things, do we not need that all over the island? If it is only limited to the north shore, does that include Anahola?

Mr. Dahilig: In response to the first part of your question, the thought process on this is meant as a way to take the information that comes out of some of these studies and be able to implement it. I think that is a concern that the State Legislative Delegation has had with respect to...do we want plans to sit on the shelf when we have the opportunity to actually have these plans put in motion, so that is what the money would be used for. Geographically, I would suggest that when we look at the areas that have been affected by this, the areas are largely centered on north shore, Anahola is one of those areas as well, and some areas in Kōloa. One of the questions that had come up is the language of Act 35 and how Act 35 expands mitigation, then when we look at the Governor and the President's proclamations on the rain 2018 disaster, they state that the whole island of Kaua'i was actually affected by the floods, so the whole island is a disaster. This is part of the nature of the fact that the moneys that are coming in are from the State and we are a recipient of what would be perceived as a grant from the State to expend the money in a way they see fit. So that was their direction to us in discussing the opportunity for moneys to be available for mitigation and implementation of some of these potential CIP projects of studies, that it be geographically focused on the hardest hit areas, which were on the north shore. In my interpretation of this, I would suggest that Anahola would be considered part of that area, it is on that boarder line of a planning area, so I would not believe that it would be not in line with it. Ultimately, we would be responsible for the grant management of it and I think it is reasonable to believe that Anahola would be included in that area.

Councilmember Kualii: Thank you.

Council Chair Kaneshiro: Are there any other questions from the members?

Councilmember Kualii: Oh, wait, did you say anything about whether there would be an application and an award process?

Mr. Dahilig: That has seemed to be our best mechanism across the board when we do give money to the private sector, particularly the nonprofit sector to have it be competitive, so that would be the thought process. At this point in time, I do not see why we would not engage in some type of application or competitive process, but if there are specific items that do come out of some of these studies that do occur, it may be advantageous for us to "piggy back" on what they are doing, so I would not want to be limiting in that aspect, but we have not—even with the exact money, we have not deviated from the RFP competitive type of process to be able to have these funds given out.

Councilmember Kualii: Thank you.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Mike, is there any timeline on completing and spending this money?

Mr. Dahilig: The moneys are considered encumbered, so at this point in time, they were considered spent by the State of Hawai'i. What we are going to be obligated to do going forward is providing monthly reports on the progress of spending to the HI-EMA, but we know that many of these projects are "time is of the essence," so our thought process is not to just let it sit and to work as quickly as we can. One of the items that we—with respect to the Waimea levee—it is something that we are actually in conversations with our Congressional Delegation to see if there is broader partnerships that we can directly work with the Army Corps of Engineers on levee fortifications and the flood mitigation. Their federal assistance will greatly add to capacity here, so that may take some time for us to be able to explore that avenue, but with respect to the other items, we do believe that it is "time is of the essence," so we are working on trying to get the money out as soon as we can.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I just have a follow-up to Councilmember Kualii's question. If it is an RFP and a competitive process, would that mean that these people would have had to already been registered with the procurement's office? I am asking because if there is specific community groups that are already doing the work, would they be sidelined out if we went through that?

Mr. Dahilig: The sequencing on this has been to see if we can use what is found in the studies to be able to guide mitigation. I do understand that there are immediate needs out there that do need to be taken care of, but we think that it would probably be best to at least let the planning studies for the *ahupua'a* that are listed, at least run its course to have potential mitigation opportunities be looked at as potential recipients of that sub-grant mitigation. It probably will be like an "if/then" type of scenario here.

Councilmember Cowden: Okay.

Mr. Dahilig: At that point in time once the studies are completed, we would look at trying to open that money up and help open up other areas of liability as a question.

Councilmember Cowden: Okay. I just wanted to make sure that if we have local potential providers of either the hydrology or the tree cutting or any of that,

they go ahead and register so they are able to be among those, so that we locally base our spending if it is appropriate, because many people do not even know that process. There are many people who would be appropriate that cannot be utilized, because they do not understand the County process, so it would be good that we make an effort to outreach through these organizations so that we are able to have people on-island getting that work and doing it sensitively and well-received.

Mr. Dahilig: Right. I would also add, and I agreed with your statement, Councilmember Cowden, to ensure that if people or organizations do want to be eligible for these moneys, that they should maintain their Hawai'i compliance express tax standing on an annual basis; that is a bright line of rule for us to ensure that organizations are eligible to receive government funding, so they do need to make sure they are (inaudible) compliant.

Councilmember Cowden: Being clear for anyone listening, pay your taxes, right? Is that what we mean by saying being up-to-date?

Mr. Dahilig: Yes.

Council Chair Kaneshiro: Are there any further questions from the members? If not, I do want to mention that we received five (5) pieces of written testimony in support of this Bill and we had one (1) live testimony in support of the Bill. Is there any discussion from the members? Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: Thank you, Chair. This is why I say that we do not need districting, because if you sit here in this chair and you are a local resident; you care about the whole island. For me, I received a call from Representative Nakamura and she is concerned about what the County is going to do with this and try to mitigate what happened with the previous flooding in 2018. Not only cleaning debris now, but what she wanted us to push forward was for this County to coordinate efforts that once we clean it, how do we keep it sustainable? How do we get people...because we are going to do the big job first, then from there let us rely on our communities or landowners abutting the streams, rivers, or what have you, that they take responsibility, then that way it will be sustainable, it will not grow back and cause the same problems that happened. I think that is where she wanted to see us go, not only do the present, but take care of the future by simply being the leader in coordinating, because the job is not as difficult already. We have seen community groups like in Waimea Valley for example, with Kaina Makua leading the charge and removing dirt with five (5) gallon buckets and trains of individual volunteers doing that work and it did not cost the County anything, they just did it because they saw a need to do it. It affected their *lo'i*, which was adjacent. I think there is a lot of potential, but the County

needs to coordinate so we are not only having piecemeal projects done here and there. A lot of our problems are coming from *mauka* with the Albizia problems like Wailua River, for example. We can spend all we want and clean-up what we have, but with another big flood, if we do not take care of *mauka*, the same problem will continue to occur. The next one might even knock down Wailua Bridge—it almost happened. There is talk it could have happened right there, that could have blocked off access north of Wailua Bridge into Līhu'e—that would have been disastrous. There are a lot of efforts needed and the State seems to be the one to point the finger to the County to lead. Yes, we do not have the expertise; yes, we do not have the finances, but at the end of the day, I think there is going to have to be some teamwork done to solve all of these problems, because I think pointing the finger has not resulted in anything positive, it has resulted in leaving moneys like this at the County's hands—now what are we going to do? I think it is not an easy problem. I understand the position that this Administration is in, but at the end of the day, we need to try and somehow work together and figure this out, because certainly we do not want what happened in the north shore to happen again. What almost happened at Wailua Bridge, we do not want that to happen again, and certainly for Waimea Valley residents, we do not want to see them having to pay an enormous amounts in flood insurance when the levee has been successful all of these years. It seems like a sudden change that you cannot explain to the residents. So let us get those things done and let us do what is the fair thing to do. I think the fair thing to do is get the job done and somehow despite our disagreements, we need to come together. Thank you, Chair.

Council Chair Kaneshiro:

Councilmember Chock.

Councilmember Chock: Thank you, Chair. I think the vitality of our *‘āina kumu wai* our watershed is paramount—so important and will become more important as the years go on. As we have seen in 2018, I think it is just a glimpse of what we can expect moving forward, so it behooves us to really take a deeper dive into this. I know the negotiations around this particular list has been challenging, so I want to thank our Administration and also our Kaua'i delegation, particularly Representative Nakamura, who really fought for these funds to get established, so that we can address the needs. I hope that we can continue to leverage this funding so that the discussion of collaboration that we know needs to happen, can get to the root issues that we all have been talking about on this table. One, access is a huge issue that we need to streamline in order for what Vice Chair Kagawa was talking, which is some of the sustainability needs maintenance moving forward and, but also what we can do to share in the cost—I totally get it, this is a huge cost, but perhaps there is a middle ground, at least for an understanding about how it is we are going to collaborate moving forward and I hope that happens moving forward. Thank you.

Council Chair Kaneshiro:

Councilmember Kualii.

Councilmember Kualii: I want to add and say our County having access to this type of much needed funding to do maintenance—these much needed projects is rare, so I hope that we will spend it as efficiently as possible and get as much done as we can, because it is a critical public safety issue to prevent future flooding and potential loss of life, so let us make sure we spend the money as efficiently as possible. Thanks to the Mayor and our delegation, especially Representative Nakamura, for putting this in place. Thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I want to echo what Vice Chair Kagawa said about this is a value about not having districting, we all care anyway, but especially when we are at-large, I want to acknowledge Lāwaʻi, Kōloa, Keālia, Anahola, Wailua, Kalihiwai, Pīlaʻa, and Hanapēpē, they all had their issues and they all need some attention, that is why I am looking at how important it is that we create pathways that become easy to replicate where we can use knowledge from each *ahupuaʻa* area that is unique for that and that we have it be home stewardship of that is handled. Like he said, when the community has a core part in making the decisions of how to manage their watershed, they are going to be much more responsible towards taking care of the trees along the streams and working to be aware of how, if they strengthen their riverbank, it is going to cause impact to the next door neighbor and that we start looking at not only state and county, but private property owner to private property owner. While we were acknowledging good works, I want to say Alekoko Fishpond, which I believe is our Councilmember Chock's big project, if people have not looked at what is known as the Menehune Fishpond, look over the edge, amazing difference that has happened from community work that is riparian stewardship that is so needed and we need to return to that as a norm. That certainly was the case in our traditional Hawaiian land management system and even within the plantation systems, it still was a holistic watershed approach to handling the land. That is the direction that I firmly believe we need to be shifting some of our strategies, so again thank you very much.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: My colleagues have said it all already, I just want to briefly echo a few things. One, how important this mitigation and adaptation efforts are, strong and stronger events are coming and we need to be continually prepared and I do not think this work will ever finish going forward. Two, just express appreciation; I know that this has not been an easy road for our State Delegates, especially Representative Nakamura, and the work Senator Kouchi put into it, and all the work that our Administration did. I know that Councilmember Chock was involved at some capacity, but I especially want to appreciate all the different community groups, including members that have been involved in this—it is a huge collaborative effort. I am excited to see this money get put to good use.

Council Chair Kaneshiro: For me, I want to thank the Administration and our State lawmakers for being able to get us this money, especially at a time like this when money is so tight. I was surprised that we were actually able to continue to have these moneys; thirty-eight million dollars (\$38,000,000) it is a lot of money. That is almost twenty percent (20%) of our budget that is going to go out through the community to help mitigate a lot of these flooding issues. I just ask that, if possible, we look at the entire island with this money, because not only the north shore was affected by the floods in 2018, Kōloa has major flooding issues. Again, I am glad money is going to Waimea, these are communities that are actually getting flooded. I think if this money can be used to maybe set the foundation for communities or organizations to be able to move forward to keep these waterways clear or keep the water from flooding the neighborhoods, I think is a good step in the right direction. We can toggle back and forth on whose responsibility it is, but all I know is there is a lot of “red tape” to be able to maintain a stream. People are getting faced with, “Do we have to go through all the steps and “red tape” in order to maintain a stream to keep a community safe or do we just do it any ways to keep the community safe?” It is not a comfortable position for people to be in. Ultimately, we want to keep our community safe, so anyway this money can go to help cutting the “red tape” or help making it easier for communities to be able to maintain the streams and keep the community safe, I am all for it. With that, is there any final discussion from anyone?

The motion to approve C 2020-177 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item.

C 2020-179 Communication (06/29/2020) from the Managing Director, requesting Council approval to apply for and receive Federal funds from the Federal Emergency Management Agency (FEMA) in an amount not to exceed \$2,000,000.00 for the reimbursement of expenditures related to the COVID-19 pandemic disaster.

Councilmember Kualīi moved to approve C 2020-179, seconded by Councilmember Cowden.

Council Chair Kaneshiro: Are there any questions from the members? Mike, do you want to give us a brief description of this item?

There being no objections, the rules were suspended.

Mr. Dahilig: Yes, I can Chair. This continues to be a challenging disaster for us to respond to and part of the change in dynamics has been how FEMA is setting up reimbursements and expenditures related to COVID-19 pandemic disaster. The State of Hawai‘i has been declared by the President as an emergency disaster area pursuant to the laws of the United States, which makes state and local government costs eligible for up to seventy-five percent (75%) reimbursement by FEMA. What we are asking the Council’s authorization to do is apply for

reimbursements as a rolling reimbursement until the end of the year. FEMA is asking us to request reimbursement in tranches rather than all at once and understanding that the Council has to authorize a financial liability for the county. We want to be clear that we will not ask for reimbursement in the amount to exceed two million dollars (\$2,000,000) and timing wise, they will not be for expenditures past December 31, 2020. So far, many state and local agencies have already been applying to FEMA for reimbursement, we have not yet, but this does open the avenue for us to be able to shift some of the cost burden from our general funds over to those moneys that we would expect as normal related expenditures to a disaster situation.

Council Chair Kaneshiro: Okay, thank you. Again, we have received no written testimony and no one registered to speak on this item. Are there any questions or discussion from the members? Councilmember Cowden.

The meeting was called back to order, and proceeded as follows:

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

Councilmember Cowden: I am just thanking you for the clarification and for the public to know that when you folks ask for the two million dollars (\$2,000,000), we were told that this was going to be reimbursed by FEMA, so just acknowledging the follow through and the accuracy of that request. I appreciate the structure and the explanation.

Council Chair Kaneshiro: For me, I just want to reiterate again the importance of having that reserve in our budget so that we are able to react to the COVID-19 crisis immediately at that time, allocate two million dollars (\$2,000,000) for the Administration to use; look now, how many months later, we are able to actually get reimbursement for that money, but without having a proper reserve, we would never be able to have reacted that fast. Again, thank you Administration to holding up on your part as far as keeping track of the expenses, I know this is not the first time we had to do this. Unfortunately, we had that 2018 floods where we had FEMA here and again, I think it is a great learning experience that we have been able to fine tune how we keep our reimbursements and are actually able to get reimbursed for money that we do spend.

The motion to approve C 2020-179 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item.

C 2020-180 Communication (06/30/2020) from the Managing Director, requesting agenda time for a briefing and discussion concerning the expenditure of \$650,000.00 in emergency moneys (from the \$2,000,000.00 previously appropriated

by the Council) for the construction of additional permanent supportive housing units at Kealahou on Pua Loke.

Councilmember Kualii moved to receive C 2020-180 for the record, seconded by Councilmember Cowden.

Council Chair Kaneshiro: Mike, I will suspend the rules, if you want to give us a brief explanation of this item, please.

There being no objections, the rules were suspended.

Mr. Dahilig: I am going to screen share, give me a second, if I am able to do so. Chair, are you able to see that on screen?

Councilmember Kagawa: Good.

Councilmember Cowden: Yes.

Council Chair Kaneshiro: Yes, we can see it.

Mr. Dahilig: As you folks are aware the Governor of the State of Hawai'i, through an emergency declaration about a year and a half ago, had declared a housing crisis throughout the State that freed up one, permitting for projects throughout the different counties, as well as made available moneys through the 'Ohana Zone program to be able to construct housing units on state or county lands for a way to mitigate the effects of housing and homelessness across the State. The County was very fortunate to be able to receive a portion of State lands near the Department of Water in Pua Loke, directly across one of our other affordable housing projects that has been supported by lines and credits. We have broken ground on this emergency project that provided a number of units to be used as permanent supportive housing and that means that it is housing that is supported by wrap-around services through a vendor, which is Women In Need (WIN). As you see from what we have presented before the Council back in January, the land that was given to the County had the units set, but also had some area in the top right corner of the lot adjacent to the Spark Matsunaga Memorial Park that was meant as a Phase 2 for the project. Since we have gone through the COVID-19 response, what has become very apparent is that now there is really a housing response need as a result of the pandemic. Thanks to the work of Keith Perry, Shioi Construction, Inc., and a number of folks within the Housing Agency, including Adam and his team; I am happy to say that right now the project is actually on-time and under budget. What this has allowed us to do it place some degree of additional infrastructure to be able to service Phase 2 of the project. Now given the fact that we have the emergency appropriation that there are housing needs that are apparent across the island, every unit counts in terms of our ability to provide some additional resources for our community that does not currently have housing. So what we are



looking to do is use moneys out of the two million dollars (\$2,000,000) emergency appropriation to construct three (3) more buildings for a total of six (6) additional units, as well as an additional studio unit that is not on this schematic, but will be put adjacent to this project. Just to give you a clue where it would look, it would be in this red boxed area that is highlighted on top this photo. The units would be similar to what you see here. This is a picture of the current construction. We are slated to actually turnkey the first units later on this summer. If we move forward with this our projected timeline for being able to put this together would be in October 2020. This gives you an insight as to what the units look like inside. This is a one-bedroom unit with a bathroom, full kitchen and including a small *lanai* in front. So we believe this partnership with Shioi Construction, Inc., as well as our Housing Agency has been able to put together a very decent set of housing units that will be able to reintegrate those families and individuals that need a housing first solution to their challenges. So the thought process, Chair, right now is that we would use six hundred fifty thousand dollars (\$650,000) of that emergency funding that was appropriated by the County Council to be able to put seven (7) units up, so that would be at a cost of under one hundred thousand dollars (\$100,000) a unit and that is a significant benchmark. We are providing additional units and under that six six-figure benchmark, so because the moneys have been appropriated, it is an expenditure that is allowable, we believe, based off of the current emergency, as well as the moneys that have been appropriated. But before proceeding, we believe that it is important for us to consult with the Council on making such a big decision on this before proceeding. So with that Chair, I am available for discussion and let me figure out how to unshare my screen.

Council Chair Kaneshiro: You are there Mike, you are good.

Mr. Dahilig: We are good, thank you.

Council Chair Kaneshiro: Not good anymore.

Mr. Dahilig: Not good anymore?

Council Chair Kaneshiro: Okay, you are good. Thank you for that quick presentation. Are there any questions from the members on this item? Councilmember Cowden.

Councilmember Cowden: This six hundred fifty thousand dollars (\$650,000) is coming out of what we earmarked for the two million dollars (\$2,000,000) for tiny houses, is that right?

Mr. Dahilig: This would be two million dollars (\$2,000,000) coming out of the emergency bill that was passed by the Council and re-appropriated.

Councilmember Cowden: What I feel very supportive in this is that having spent time, not just with the encampments that are in the parks, but also at the boat ramp and different places around the island, I think that this would address the chronic houseless community and the most resisted community, certainly not all of them, but it is directing at the families. If we are able to move those parts of the community that are struggling with life choices into this therapeutic housing here, I think that would be great. We have talked about this earlier. Was any effort made to go down and sign any of those people up, as we discussed? What Vice Chair Kagawa had said, these are people with long history in Hawai'i; many generations. Has there been any effort to sign them up for Kealaula?

Mr. Dahilig: The beauty of this particular project is that we have the legal ability to be more discerning when it comes to supporting our local families because of one, we are not using federal funds for this and two, we know that the need is pronounced to be able to have wrap-around services. In our discussions WIN will be essentially managing the intake for this; we have not been shy about pressing upon WIN that we want to help our local people with this housing.

Councilmember Cowden: Is that a "no," that no one has been signed up from the encampments or the houseless area? We have so many out there. It is easy just to find people all over who are ready or think they are ready, how do those people get in line to be able to do that, because there are many children living out there and this is a program that is designed to be able to keep families intact. Even if parents are ex-offenders or struggle with mental illness or some chemical addictions, sometimes they are still decent parents and the kids very much love them and do not want to be separated.

Mr. Dahilig: What I can do to provide you with an accurate answer Councilmembers, is check with WIN to see how they have been progressing with their outreach program and I can provide you a status on that.

Councilmember Cowden: Thank you.

Council Chair Kaneshiro: Is there anyone else? Councilmember Kualii.

Councilmember Kualii: You might have said it, but can you repeat, how many units total? In your layout here, the original site layout says eleven (11) transitional units; eight (8) duplexed and three (3) studio duplexed. Are the eight (8) duplexed two (2) separate units?

Mr. Dahilig: Yes.

Councilmember Kualii: With a wall in between with two (2) separate entrances—I guess that is what a duplex is.

Mr. Dahilig: Yes.

Councilmember Kualii: So that eight (8) is actually serving sixteen (16), right?

Mr. Dahilig: The total current construction was twenty-two (22), this would bring it up to twenty-nine (29).

Councilmember Kualii: Okay. The seven (7) additions you were talking about will bring it to twenty-nine (29).

Mr. Dahilig: Yes.

Councilmember Kualii: In your diagram, the second page, is the Phase 2 buildings thirteen (13), fourteen (14), and fifteen (15)?

Mr. Dahilig: Thirteen (13), fourteen (14), and fifteen (15), and there still needs to be an additional single studio unit, but they are working out how to fit that in that area between building thirteen (13) and building twelve (12).

Councilmember Kualii: Yes, because what is showing in your diagram is six (6).

Mr. Dahilig: Yes.

Councilmember Kualii: These additional seven (7) units will just fold into with the rest and will be managed and treated the same, as far as getting people to live there.

Mr. Dahilig: We believe that the nexus is there to be able to expand the program to be able to...given the high demand for permanent support of housing alignment. Therefore, it would be integrated as part of the overall program.

Councilmember Kualii: I have gone by there a few times and it looks incredible. I cannot believe how fast it has come up. I am curious as to, like Councilmember Cowden was asking about, has the program for signing people up; it must already be in place. Is the Housing Agency working on that? I guess they were working with WIN. Were they going to actually do the recruitment of the families or individuals that are going to occupy? When are they projecting that they will occupy?

Mr. Dahilig: The model for co-management was premised on a study...the Kahauiki Village class out on O'ahu and how they were able to pair the resources of The Institute for Human Services (IHS) with a property management agency to be able to one, screen those that have the ability to at least afford a modest

rent, but also need wrap-around services that IHS could provide. So we are looking at the same model where WIN would look for both the ability to pay a modest rent, but also looking at those individuals that will need the wrap-around services and be able to pair those things. I should add that the WIN property management agreement does include additional funds through the State's 'Ohana Zone project to max out their operational wrap-around efforts for three (3) years. As mentioned earlier, Councilmember Kualii, the thought process is that some of these units within Phase 1 will be able to be turnkey by the end of the summer. As the units will be completed and turned over, if we were to start on buildings thirteen (13), fourteen (14), and fifteen (15), and the single studio unit, we should be able to have those at least online and turnkey by October 2020.

Councilmember Kualii: Do you know if WIN already has been doing outreach and taking applications?

Mr. Dahilig: I know that they have been doing outreach, but I want to provide, as I explained to Councilmember Cowden, I need to make sure I am providing you folks with accurate information as to what step they are right now in the outreach process, so I can provide to you via correspondence.

Councilmember Kualii: The final question is, this arrangement with WIN is asking them to step out of what they normally do and do more, right? They will not just be servicing their own client, but will be open to all eligible houseless families and individuals.

Mr. Dahilig: One thing that Kim Cummings had made clear is that as much as they are called WIN, the complex is not just for women. They understand their mission is broadening, at least with this project, that the overall permanent supportive need cannot be limited to just women, but to everyone that needs assistance.

Councilmember Kualii: I was meaning not just the obvious about women, but like a homeless person who is healthy, not with any type of substance abuse or maybe even employed, but they are houseless and need a place; they could potentially qualify here or is it only people with...the wrap-around services is all encompassing, it is not just substance abuse.

Mr. Dahilig: I wholeheartedly agree.

Councilmember Kualii: It is financial.

Mr. Dahilig: Some of it may involve other types of services. The myriad of services are not limited to just substance abuse counseling, but things to be able to have these families take advantage of permanent housing situation, so they

are not left with the stress of trying to figure out how to take care of the other things of resilience within their household. So the situation you are describing would be eligible in this situation.

Councilmember Kualii: The eligibility where there would be a cutoff would be based on financial.

Mr. Dahilig: Yes, we are not looking at charging target market release, because we know that there is a reason why they do not having housing, but as part of what Kahauiki's program has emphasized is that there is some resilience that is built by charging modest rents to be able to have a household start to learn the skills to manage and build equity to maintain permanent housing, rather than permanent supportive housing.

Councilmember Kualii: Thank you very much.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Chair. Mike, thank you so much for the presentation, I think you make Duane Kurisu envious, as well with the design and the pictures here. In terms of the wrap-around services you are talking about, Kahauiki, one of the reasons why I think it is successful was that they also provided shelter for and day services for children of the families. I am curious, maybe this is a WIN question, but is there a location for that to occur in terms of the wrap-around services? Can we add that as one of the questions to get a response on?

Mr. Dahilig: I can get you a response to that Councilmember Chock. I would think that physically the site does not include a space for on-site childcare. Building 1, right now is simply an administrative building that includes areas for maintenance, as well as laundry facilities for all the units, so there are three (3) washers and three (3) dryers in Building 1 as part of laundry matting. There is no on-site building for on-site childcare, but you do raise a good point that I can check with WIN to figure out how they are integrating childcare into the overall wrap-around program.

Councilmember Chock: Thank you.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Mike. I would say that generally, we...where are we at now, the State of Hawai'i, thirty-five percent (35%) or forty percent (40%) of people are unemployed. Now with COVID-19, chances are they might not have jobs available to fulfill the wrap-around services in the immediate future, so I am wondering besides having the opportunity to be selected, I think WIN push some

requirements at least, like chores such as...that is what I hear from County taxpayers is that they are okay with supporting affordable rents/affordable housing, but they are saying they will just provide them with the house, then the wrap-around services seems to encompass what they are saying, but at least make them clean the park or do something, because that will help them have the work ethic in order to become employable later. Is that part of what WIN is planning?

Mr. Dahilig: It is part of the overall best practices that we have seen out of Kahauiki Village, where the residents take ownership of their area, rather than looking at this as entitlement, helps build character as well as build some good citizenship and resiliency. So we wholeheartedly agree that there has to be a critical component of the program and know that WIN is looking at opportunities for that in particularly because the park provides a common area space—even though it is open to the public—for that type of ownership. We certainly are aware that WIN is looking at how the park integrates into the overall housing development and those types of values are going to be impressed, at least within my conversations with Kim.

Councilmember Kagawa: Because it is a limited amount, I would hope we have some type of requirements saying, "If you do not do this, then you will be out." If the demand is much more than the supply you have that leverage. So I am hoping that we truly will try and turn a lot of them into the productive citizens that they can be, rather than just have a free handout which will not really help them to improve their situation. Yes, they will have a better living situation, but how does the County benefit if we just continue to have people who do not want to work. So I am hoping we go more into that direction as we go forward. I just found out that a lot of the people who are homeless and on welfare have one thousand two hundred dollars (\$1,200) a month housing subsidy and many of them remain homeless, because the one thousand two hundred dollars (\$1,200) a month is not enough to rent a place for their family, so they use it to supplement food and whatever they need that is short-changed by the amount of food help they receive. Again, I am trying to make sure that although we are passing it to WIN that we stress upon them that let us develop some fair criteria so that the taxpayers are assured we are getting the best "bang for the buck," and I know we are getting the best "bang for the buck," as far as the housing cost I thank you folks for that; very impressive. Thank you.

Council Chair Kaneshiro:

Councilmember Cowden.

Councilmember Cowden: Thank you. I might not be remembering correctly. I am going to be asking for a briefing in the future from WIN, so that I have a clear understanding. What was in my memory is that the several story buildings next to the movie theater that we are calling Pua Loke, I believe there are fifty-eight (58) units there, that those were going to be directed at the families or individuals who basically are functioning that they just have an economic challenge. That would be something more like Kahauiki Village, so that we are taking people who—you give them

solid housing and they have traction, they are going to work, they are paying their rent and they are functioning and what I thought was the case for Kealahou, I remember being told that they have a maximum of twenty-six (26) months in there and that would be in my memory is the word, “therapeutic housing” and that is why we chose WIN and the people who would be coming in there would have what we call, multiple critical boxes, so whether that is addiction, being an ex-offender, or a handful of other challenges that with therapy and wrap-around services, then they are able to get their lives together. The goal is to take people who...if we just gave them a house, they are still probably struggling in, not being able to cope, so we are giving them therapeutic housing with wrap-around services and they get a little over two (2) years to pull it together, and then they would be moving into something where they are much more responsible for having a functional life, so they have a time window that becomes the motivation. Now I am feeling like I am hearing that our Kealahou is more like Kahouiki Village, which are people who are basically functioning. There is a number of them in these encampments. So am I remembering wrong or have we had a change in plan?

Mr. Dahilig: Let me dissect where the thought process was when we put together Kealahou. What is clear is that there is therapeutic housing, as you are describing as a function, then there is just general affordable housing, which would be comparable to the project that is across the street that we are currently building with the Ahe Group. There is something in between where the facilitation of a housing first approach towards trying to deal with just a myriad of life’s challenges is a best practice that we on-island have not had a facility for to be able to facilitate. So Kealahou is mirrored after Kahouiki Village in the sense where the permanent supportive nature of it is not meant to be therapeutic, but rather there as a way to allow people to grow out of the units. So the project across the street is consistent with many of the other offerings that the County Housing Agency has put in place, which are things like at Koa’e Makana and projects on the north shore, those types of things. Just to clarify, some of the things you did mention are services that WIN does provide, currently, as part of their therapeutic housing program in single-family houses across the island. So that is probably where your thought process is or what WIN provides as a service here. This is an additional new type of offering that WIN will be taking on as a management in offering the permanent supportive housing is not therapeutic in nature, but it is meant to provide the ability for families to realize, if I employ the techniques and be able to engage in a degree of discipline, I am able to pay the extra two hundred dollars (\$200) to three hundred dollars (\$300) to actually live in an area that I do not have to follow rules or programs or those types of things—that is what in our conversations with Mr. Kurisu, the goal of how we provide that avenue for strength building at the dinner table.

Councilmember Cowden: When we are looking at the six hundred fifty thousand dollars (\$650,000) as it is coming out of the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, it might be said to be some of that, which we were looking at the tiny houses. The tiny houses were looking to replace some of what

were in these encampments. When I talked to the people in the encampments...by the way, they say they have not heard from the Housing Agency or social services, no one has come out. Again, I am asking that we go out there, because we cannot expect them to come in. When are we planning to return the parks to the public, because I also hear from that community that they are finding that they want to go camping in the parks or if we remove the quarantine, there might be visitors coming and staying in the parks? The people in the encampments think that on August 1<sup>st</sup> they are being evicted, is that correct? Do we have a date that terminates the encampments in the park?

Council Chair Kaneshiro: I apologize, we are way past our caption break. Mike, I am going to let you sit on that question. We do have to take our ten-minute caption break and as soon as we are back, then you can answer Councilmember Cowden question. Ten-minute caption break.

There being no objections, the meeting recessed at 10:48 a.m.

The meeting reconvened at 11:03 a.m., and proceeded as follows:

*(Councilmember Kagawa was noted as not present.)*

Council Chair Kaneshiro: Welcome back. Mike, do you need Councilmember Cowden to ask the question again or are you able to just answer?

Mr. Dahilig: I am able to answer her question. Just for the Council's edification, I want to layout the continuum of what we are looking at when it comes to housing offerings within the County. We look at it in four (4) parts, we have therapeutic housing, which can be wet or dry, you have permanent support of housing, you have affordable housing, then you have market housing. The people that are currently being sheltered in place at our parks across the County due to the pandemic, would fit in any of those four (4) categories for one reason or another. In discussing with the Housing Director during the break, we are working on finalizing the actual intake program for Kealaula and when those items are setup with WIN, we can definitely share it with the Council, but I think it is important that the tenant selection plan be at least put in place first before we ask outreach to those particularly at the areas that Councilmember Cowden is raising as potential sources for outreach, would be implemented into place. So we hear you Councilmember Cowden, regarding areas you are pointing out as potential sources for need and when we actually put together the tenant selection plan, that would be a great time to actually explain to the public that could be eligible for these housing units and what exactly is required, how to get into them and what they need to do.

Councilmember Cowden: Okay, thank you. The question that I had that that supports, there are many people in the community that are not living in the parks that would like to be using the parks again, so I hear a little bit of hope that they can



have more access to the whole area of the park or to camp there themselves. So they are asking, when is the parks not going to be an encampment? Then the people in the parks are definitely worried about when they have to move and it is their perception that August 1<sup>st</sup> is the eviction date, some of the people, not everyone, but people I have asked. Have they been given a timeline of when they need to move out and do we have a plan for them?

Mr. Dahilig: I will collect, acknowledge, and confirm that the concerns you are raising that are coming from the community are concerns we are also hearing regarding the park spaces being used currently as emergency sheltering for the pandemic and that community members want to go out and start using parks for their usage again. We share that vision as a rolling ease for that; however, at this point in time, no hard date has been set for that.

Councilmember Cowden: Okay.

Mr. Dahilig: While we had started working on plans to figure out how to transition and provide support, the current status of the disease and the changes that is required by the Governor's proclamation lead us to have to make adjustments and adapt to changing conditions both throughout the globe, the Continental United States (U.S.), as well as even with yesterday's forty-one (41) new cases was identified even within the state. So we know the prevalence of the disease is increasing and we have to look at transitioning the parks to normal usage in the context of health risks. So I want to at least confirm for this time, Councilmember, that we do not have a date...

Councilmember Cowden: Okay.

Mr. Dahilig: ...that we are going to be telling people, "You need to get out of here," but we do know that at some point we have to safely be able to take care of these residents, while also safely allowing for park usage to occur and that really is dictated by the pandemic's prevalence of disease that we cannot predict at this time.

Councilmember Cowden: That is understood. So these people who are in the emergency sheltering, are they likely to get any kind of a time window? If they are asking me, I would be able to say to them, "Well, you will get thirty (30) days notice or two (2) weeks notice." How do I answer them correctly when they say, "How long will we have once we are given notice?"

Mr. Dahilig: To be both legal and fair, ample notice will be given, so I think what we are tracking as a necessary proponent as a transition plan, so we will not spring this on any individuals that are currently needing the parks to shelter in place.

Councilmember Cowden: There was a drop-out, did you say, “ample notice?”

Mr. Dahilig: There will be ample notice.

Councilmember Cowden: Okay.

Mr. Dahilig: Both based off of fairness and what we are legally required to do.

Councilmember Cowden: Do you know what ample means? Is that thirty (30) days, two (2) weeks, or do we not have that defined?

Mr. Dahilig: Again, I will have to consult with our attorneys on this, because we have to abide by federal case law to be able to provide clear ample sufficient notice, if we are looking at trying to enforce items at a public place. So rather than give you a bright line, I rather leave it at that. I can consult the attorney.

Councilmember Cowden: Okay. I will send a written inquiry and when you get it you can give it to me. Thank you, so much.

Mr. Dahilig: No problem.

Council Chair Kaneshiro: Are there any other questions from the members? Councilmember Kualii.

Councilmember Kualii: Mike, since we were talking about this, I will follow-up a little bit, I was able to go out to one of the camps at Lydgate and speak with the leaders and see how they are operating; they are very well organized and they are really taking care of each other. They are even planning for the future of how they transition out of there and they are going after grants—there are a lot of good things happening. Obviously, they need a lot more resources and some of the folks that would be providing wrap-around services at Kealaula and some of the nonprofits—they need them to come out to them because a lot of them do not have transportation. I think not knowing what ample is...obviously we are still dealing with COVID-19—I know they are planning for a time further out, so it would be really beneficial to them to have as much notice as possible; we are talking about months, not days. So if the Administration gets to a point where they think they are going to move towards something, if they have any idea, if it is three (3) months or six (6) months from now and knowing of course too that gets extended, because when COVID-19 gets extended, it would be good to let them know because it might impact their planning. Thank you.

Mr. Dahilig: Well-taken.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Thank you, Mike for the presentation. What is the transportation situation like? Is the nearest bus stop at the Civic Center and Kukui Grove Shopping Center or are there plans for a future bus stop that is closer?

Mr. Dahilig: There is a bus stop along Nāwiliwili Road, which is about two (2) blocks away. That is where we believe there is at least that component of transportation accessibility, then right across the street from Nāwiliwili Road is Kukui Grove Shopping Center. So from a walkability standpoint, that is why the Mayor had been adamant in trying to get this land from the State because it provided the ability to have services within close walking proximity. I should also add that both the Hawai'i Medical Services Association (HMSA) and Kaiser Permanente headquarters for the island are right across the street from this location, as well, so from a healthcare perspective, those services can be provided for health insurance and health needs. Diagnostic Laboratory Services, Inc. (DLS) is a block away, so there is a great deal of multi-modal opportunity with this particular site and not necessitating the need for multiple vehicles and the cost associated with those to be out there while they are trying to get housing.

Councilmember Evslin: That is great to hear. Are there plans for a future pedestrian path down by the old mill to better connect to Rice Street?

Mr. Dahilig: I believe there are plans that we have been working on with the Engineering Division with Public Works that looks at Haleko Road as a multi-modal opportunity. I do not have the details on what those are, but I do know that they have been working on opportunities for that and that would include at least some potential bike opportunities, but we do not have anything at this point that has crossed my desk to give you insight on it. One key thing is that there is a pedestrian path that connects to Kaumuali'i Highway that goes adjacent to the Department of Water and that was a condition of the Department of Water's approval for the building that they also had to provide pedestrian access to the pedestrian network along Kaumuali'i Highway, so that will also allow them to easily be able to walk in that direction.

Councilmember Evslin: Awesome. Thank you, Mike.

Council Chair Kaneshiro: Thank you, Mike. Are there any further questions from the members? If not, we have no written testimony and no one registered to speak on this item. Do we have any questions or discussion from the members? Councilmember Kuali'i.

The meeting was called back to order, and proceeded as follows:

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

Councilmember Kualii: I am excited about how far it is coming along and cannot wait until it opens and our people are in there. Keep up the great work.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Real quick, I just want to thank Shioi Construction, Inc. for being on-time and cost efficient on this project. I love to see this open and be a model for some regional locations in the future and I think if we can do it right with the right benchmarks and strict agreement for our participants and families that are entering the program, I think it can be a huge success. Thank you.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: I just want to stress my support here. Anytime we can build housing units for the range of one hundred thousand dollars (\$100,000), I am fully supportive of reallocating money towards that. I really appreciate the Administration's nimbleness here, in realizing that there was an opportunity and going forward with it, also certainly this speed that this project is going forward. I think Mike said that the additional units that this money would go towards could be occupied by October—that has to be close to a record here for reallocating money that gets occupied that quickly. I appreciate the Housing Agency, the Administration, and Shioi Construction, Inc.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I am going to echo what a bright light this is for the first two (2) years of the Mayor's Administration, all the different areas, Shioi Construction, Inc., it is nice even as a councilmember to have been a part of what has helped to create these much needed facilities—this and the adjacent property—both of those two (2) buildings are really a great addition to what we are offering to people in a time of need.

Council Chair Kaneshiro: For me, I just want to say, I hope all of these units do get occupied and I hope we do some outreach to families living at the parks, because I think that would be a good transition to get families out of the parks and into this housing. This housing has always been a missing gap in housing that we have had as a county. This is the first opportunity we have to actually take families from homeless into permanent housing and including wrap-around services, which has always been a missing gap. Then to have them transition from this housing to the Pua Loke affordable housing right across the street behind Kukui Grove Cinema, I think is an opportunity we have never had before. It is always, "We can get you into a house," and "We have nowhere else to put you," so I think this is very critical housing for us to help families on Kaua'i.

*(Councilmember Kagawa was noted as present.)*

The motion to receive C 2020-180 for the record was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item.

LEGAL DOCUMENT:

C 2020-181 Communication (06/10/2020) from the Emergency Management Administrator, recommending Council approval of an Issuance of Immediate Construction and Management Right-of-Entry Permit and the indemnification provision contained therein, by and between the County of Kaua'i and the State of Hawai'i Department of Land and Natural Resources, for a parcel located at Tax Map Key (TMK) No. (4) 5-8-012:009, Wainiha, Hanalei, Kaua'i, to allow for the County's contractor to proceed with the construction of the infrastructure for the Set Aside to the County of Kaua'i for a proposed site for community gatherings, baseyard operations, storage, and public parking.

- Issuance of an Immediate Construction and Management Right-of-Entry Permit

Councilmember Kualii moved to approve C 2020-181, seconded by Councilmember Chock.

Council Chair Kaneshiro: We have no written testimony and no one registered to speak on this item. Councilmembers, we do not have the Administration here, because they were not requested. Is there any discussion from the members? Councilmember Cowden.

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

Councilmember Cowden: Just to be clear for anyone listening, this is that area that had been the transfer station after the flooding. It has gone through a number of conversations at the Hanalei/Hā'ena Community Association and while that is in a little bit of a tidal wave path, we have not had a tidal wave, thank goodness for a very long time. This is a good place to be able to be offering emergency services and different things that are needed and have been long asked for by the Hā'ena/Wainiha community and so I am just wanting to acknowledge that we are moving forward.

Council Chair Kaneshiro: Is there anyone else?

The motion to approve C 2020-181 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item, please.

C 2020-182 Communication (06/15/2020) from the Acting County Engineer, recommending Council approval, of a Limited Right-of-Entry Permit and associated terms between the County of Kaua'i and the State of Hawai'i Department of Hawaiian Home Lands (DHHL), to allow for the removal of approximately fifteen (15) cubic yards of sand from the Anahola river mouth area situated at Tax Map Key (TMK) Nos. (4) 4-8-12:10 (por.) and (4) 4-8-18:028 and 029 (por.), for the placement of sand bags to repair erosion along 'Aliomanu Road in Anahola.

- Limited Right-of-Entry Permit

Councilmember Kagawa moved to approve C 2020-182, seconded by Councilmember Kualii.

Council Chair Kaneshiro: We have no written testimony and no one registered to speak on this item. Is there any discussion from the members on this item? Councilmember Kagawa.

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

Councilmember Kagawa: I am going to support the motion to approve. It seems like we need to protect 'Aliomanu Road with sand bags, which is the least—if you think of all the ways to put man-made infrastructure—intrusive to the environment. However, I do want to make sure—I know we have done this previously, there were concerns brought about the last time we did this, we took sand and there were complaints about whether we were taking too much or what have you—let us make sure we have it as a legal document as fifteen (15) cubic yards. Let us have pictures and evidence making sure we are abiding by the fifteen (15) cubic yards, because anything over that would be gross negligence on behalf of the County. Just because a person works for the county and does not personally get sued, I think you should be treating it that seriously. Again, if you are going to take more, then say so. If you are only going to take fifteen (15) cubic yards, then take that and have your evidence; make sure the County covers its 'ōkole. Thank you.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Is Troy available for a couple of questions?

Council Chair Kaneshiro: No.

Councilmember Evslin: I did not request him, so if he is not that is okay.

Council Chair Kaneshiro: Actually, he is.

Councilmember Evslin: I think 'Aliomanu Road was on our agenda possibly last year for moving *mauka* or something and I know that there had been some discussed proposals about entirely moving it, I was just wondering what is the long-term future of this road.

There being no objections, the rules were suspended.

TROY K. TANIGAWA, Acting County Engineer: For the record Troy Tanigawa, Acting County Engineer. The long-term approach is basically to preserve what we have there. We are going to be looking at a single-lane transportation facility through that area that is going to be repaired, ultimately. There was a conceptual design to look at going *mauka* to maintain a double-lane, but that would have been complicated and made things more expensive. This design to keep the one-lane of traffic and preserve what we have there is what we have ultimately settled.

Councilmember Evslin: Are there other sand bags currently there or some type of hardening?

Mr. Tanigawa: Yes, there were previous sand bag protection that were put in place, but those have deteriorated now and it is time that we put a new protection in place to minimize any further coastal erosion.

Councilmember Evslin: Are there areas on either end of that that would be more prone to erosion with the sand bags there or is that within the area that should be impacted?

Mr. Tanigawa: It is a changing and dynamic situation there. The whole coastline could be impacted in the future. In the past, we have not seen too much changes with placement of sand bags at these locations. While we do not anticipate it, it definitely could occur in other areas in the future.

Councilmember Evslin: My last question, with the sand bags, is there a future plan to put some sort of permanent structure there or will it just be periodically adding more sand bags as needed?

Mr. Tanigawa: There is a design to add more permanent repairs that would not require us to continue to return and involve for placement of sand bags.

Councilmember Evslin: Okay, thank you, Troy.

Council Chair Kaneshiro: Are there any further questions?

The meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion from the members on this item? Councilmember Kagawa, then Councilmember Evslin.

Councilmember Kagawa: Again, we talked about this previously with sea-level rise. It is apparent upon us to try and move inland and avoid having to do this type of work, which if you had planned earlier, you would deem this to be unnecessary. I know it is like an armchair quarterback to say now, but I think we need to take all precautions now in any infrastructure we do going forward and try to get everything far away as possible from the shoreline. Thank you.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: I want to reiterate what Councilmember Kagawa just said, I know we are on a road where it seems like a preview of what we are facing and just this little stretch of road has already proven to be problematic with no good options going forward. I believe that I heard somewhere along the line that there was another proposal to move it entirely *mauka* and it is incredibly cost prohibitive, crossing multiple properties, and is not going to happen. You are right, it is this tiny stretch of road and so we are going towards an imperfect direction of the seawall, which has its own problems, but I think is the route we have to go and are facing thirteen (13) miles of road on Kaua'i; that is the visionary. Anyway, I think we are facing some big problems down the road and this is the preview. I appreciate Public Works trying to get this little portion solved the best that they can.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I appreciate the discussion and echoing what both of you have just said. I think we are going to be seeing more of that, and in fact, we already are with both our bike path and our Wailua Bridges and the scouring that is happening along the way, we really need to be focusing on it and using every place as a learning opportunity.

Council Chair Kaneshiro: Is there anyone else?

The motion to approve C 2020-182 was then put, and carried by a vote of 6:0:1\*.

Council Chair Kaneshiro: The motion is carried. Next item, please.

*(Councilmember Kagawa was noted as not present.)*



COMMITTEE REPORTS:FINANCE & ECONOMIC DEVELOPMENT COMMITTEE:

A report (No. CR-FED 2020-04) submitted by the Finance & Economic Development Committee, recommending that the following be Received for the Record:

“FED 2020-03 – Communication (05/28/2020) from Council Chair Kaneshiro, requesting the presence of the Director of Finance, to provide a briefing and overview of the County of Kauaʻi’s various Real Property Tax programs – tax credits, exemptions, forms, taxpayer education/outreach, and deadlines,”

Councilmember Chock moved for approval of the report, seconded by Councilmember Kualii.

Council Chair Kaneshiro: Is there any discussion from the members on this item?

*(No written testimony was received and no registered speakers requested to testify regarding this agenda item.)*

The motion for approval of the report was then put, and carried by a vote of 6:0:1\* *(Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kauaʻi, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion).*

Council Chair Kaneshiro: The motion is carried. Next item.

COMMITTEE OF THE WHOLE:

A report (No. CR-COW 2020-14) submitted by the Committee of the Whole, recommending that the following be Received for the Record:

“COW 2020-04 – Communication (05/28/2020) from Councilmember Cowden, requesting the presence of the Boards & Commissions Administrator, to provide a briefing on the proposed amendments to the Kauaʻi County Charter under consideration by the Charter Review Commission,”

A report (No. CR-COW 2020-15) submitted by the Committee of the Whole, recommending that the following be Received for the Record:

“COW 2020-05 – Communication (06/09/2020) from Council Chair Kaneshiro and Councilmember Chock, requesting the presence of the Managing Director, Prosecuting Attorney, and Housing Director, for a briefing on the status of the County’s Adolescent Treatment and Healing Center,”

Councilmember Kuali'i moved for approval of the reports, seconded by Councilmember Cowden.

Council Chair Kaneshiro: Is there any discussion from the members on these items?

There being no objections, the rules were suspended to take public testimony.

ALICE PARKER: Hello, I am Alice Parker from Līhu'e and the topic I would like to address is the subject of Councilmembers representing different districts. I think the suggestion that Councilmembers should be for particular districts like fourteen (14), fifteen (15), and sixteen (16), are set to a group is terrific. We do not need three (3) from each district, but two (2) from each district would be good, then one (1) at-large. Now the at-large, I guess would rotate from one (1) of the districts, so I am not sure how that would be put out for the voters to decide, but you can concise with them; I know that. Thank you, magic counselors and good luck. Do your best to make it fair for everyone, because we all need representation. Thank you, Alice Parker, Līhu'e.

Council Chair Kaneshiro: Sorry about that. That was Alice Parker for Committee Report COW 2020-14.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

The motion for approval of the reports was then put, and carried by a vote of 6:0:1\* (*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion*).

Council Chair Kaneshiro: The motion is carried. Next item.

#### BILL FOR FIRST READING:

Proposed Draft Bill (No. 2795) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Mixed Use Tax Exemption*)

Councilmember Chock moved for passage of Proposed Draft Bill (No. 2795) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for August 5, 2020, and referred to the Finance & Economic Development Committee, seconded by Councilmember Kuali'i.

Council Chair Kaneshiro: With that, I will suspend the rules. Councilmember Chock or Councilmember Evslin want to give a brief statement on this Bill.

There being no objections, the rules were suspended.

*(Councilmember Kagawa was noted as present.)*

Councilmember Chock: Thank you, Chair. If my colleagues would indulge me just for a few minutes to introduce this Bill along with Councilmember Evslin, I will cover the reasons why we have decided to introduce this Bill and Councilmember Evslin can talk about the details of the exemptions he proposed. I think over this past term, there has been a lot of effort in trying to address the need for housing and its affordability. We see this as a sort of cross between the tax code and also our Planning Department. What became prevalent as we started to look at these measures was how it is we can increase rentals on the island, particularly affordable housing inventory. In sort of accordance with the General Plan and the idea of form-based code, and mixed use development, how can we encourage or incentivize those kinds of buildings, especially along our town cores making it more affordable and of course being able to share some of the infrastructure costs associated with building. So the idea of commercial use mixed with residential rental usage is what we are trying to support here, yet what we found in our tax code was that these property owners were being taxed at the Commercial rate; so how can we provide a more fair tax code that would incentivize people to want to build above their place of commercial buildings to provide rental housing. That is what this Bill tries to accomplish through two (2) exemptions: long-term affordable rental unit, also just the residential...putting the tax class into Residential use for that portion attributed to that property. I will let Councilmember Evslin talk about those details.

Councilmember Evslin: Thank you, Councilmember Chock. Briefly, again the intent here was to try and figure out a way to create a tax burden that was roughly proportionate to the actual use that they were doing. As Councilmember Chock said, the issue was that residential units in commercial spaces are getting taxed at Commercial rates, so there was no incentive for anyone to try and do a mixed use building—it is part of why we have so few of them on-island. So we went through a number of iterations of this working with Finance for probably the last seven (7) months on it. First, we looked at trying to do a mixed use tax rate for a mixed use building—that was complicated because someone adds one (1) residential unit, then they have it and how do you distinguish; then Finance will be weary about additional rates. The next iteration was trying to do a separate rate based on the actual use of the building. So a residential unit in the building would get a separate assessment based on the residential rate or the Homestead rate, if it was affordable. It came back that it was also problematic, and maybe the Finance Department can speak to that if people have questions on why it was problematic, but it would be a lot of work. Then ultimately, the idea of the exemption seemed to be the easiest for the Finance Department to handle, even though it is more confusing for anyone to understand. The idea with the two (2) exemptions is just to try and reduce the assessed value of the unit to make it roughly proportionate to what the Residential or Homestead rates would be. So Residential is a normal long-term rental unit. The Homestead rate would be, if someone is long-term affordably renting that based on the rates set in

the long-term lease (LTL) program. The other part of the Bill that came with the suggestion of real property tax was to set a cap amount on the ultimate amount that they can get exempt. That was just to ensure that someone with a ton of residential units was not getting a rate lower than the Residential or Commercialized home use rate would be for that building otherwise. I think Brad and Reiko are here if you have further questions.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: A question for the Administration, are you folks in support of this?

There being no objections, the rules were suspended.

REIKO MATSUYAMA, Director of Finance: Hi.

Councilmember Kagawa: Hi.

Ms. Matsuyama: Reiko Matsuyama, for the record. Yes, we are in support of this Bill, as Councilmember Evslin eluded to. We have gone around in circles with this. What we have agreed on with the exemption is the most practical way that we can administer it.

Councilmember Kagawa: Thank you.

Council Chair Kaneshiro: I have a question and I probably talked to you about it before, Reiko. Why do we need this Bill if you know there is a property, like say Hōkūala that has commercial property and some residential—I am sure it has Transient Vacation Rentals (TVRs) in it, and we are able to assess them all individually as a unit and the commercial property as a commercial property, TVRs as TVRs, the residential as residential—so why do we need this? Why can we not do the same thing with a property like Hōkūala is similar to a mixed use property that someone else is going to do; they will have commercial and residential. What is the difference?

Ms. Matsuyama: Brad, how about you speak to that.

BRAD CONE, Real Property Tax Manager: For the record, Brad Cone, Real Property Tax Manager. Those units are condo and have individual parcel identification (ID) where we can segment out the use for each one of those parcels, so the difference there is we are talking about one (1) parcel with maybe the potential of ten (10) or twenty (20) units of residential, then maybe three (3) or four (4) different leased commercial properties on the ground floor, so that is where the difference is.

Council Chair Kaneshiro: Okay, I do not really see the difference, but I do not know, because if you are able to break up the commercial versus the residential I guess I am not understanding it. If someone comes in and they have three (3) commercial units on the bottom, they have five (5) residential on the top, then why would it not look the same as a Hōkūāla where you would have three (3) residential units and five (5)...even though maybe they did not Condominium Property Regime (CPR) the units, I would think you could break it up that way.

Mr. Cone: It would be fairly problematic for us to break that out like that. In the worst case scenario, with a large structure, you are looking at having different commercial uses on the ground floor, maybe some straight residential, then some long-term affordable up top, then the maintenance and auditing of that on a continuous basis is just too problematic—on one (1) parcel ID.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I want to say I am really enthusiastic about this Bill. I think it is very much in the right direction, both for creating better housing and having the walkability to work and I think the whole mixed use concept is a natural way for the human species to live, as long as we have been in urban or semi-urban areas. I have a couple of questions. Do you have an estimate of how many empty commercial spaces there are, whether they are shopping centers? It seems like I am seeing them all over the place. Do we have an idea of how much empty commercial space we have?

Ms. Matsuyama: We did this analysis some time ago. I do not have that pulled up right now, but we can get that to you. Are you talking about vacant commercial?

Councilmember Cowden: Yes, it seems like over the years, we have half empty shopping centers, I see so much retail space go in. We had the second Safeway shopping center in Puhi go in, while the main Kukui Grove Shopping Center was emptying, so I feel like this is a real right time for this. Is twenty-five percent (25%) of commercial spaces empty or five percent (5%)? I do not really know, it seems like there is a lot.

Mr. Cone: Councilmember, we are in a really dynamic time right now and things are influx, changing rapidly, so any kind of estimate on numbers is not going to be exact because things are changing rapidly. I guess the theory is there is a lot of this type of space in Kapa'a that currently exists. It incentivizes the new creation of those residential units, so we think it is a positive thing.

Councilmember Cowden: Okay. I have another question on that, just looking at how we are building “win-wins” out of this type of tax change, when we have places that are empty for years, like Coconut Marketplace, it was almost empty for quite a long-time, as an example. Right near my house is a brand new, largely empty shopping center. Do those properties make their taxes when they go into receivership or whatever else? Is property tax paid or is it typically unpaid?

Mr. Cone: I could not answer that right off the top of my head.

Councilmember Cowden: Okay, maybe I will send a question in. I am just looking at how we can be effective at adding vitality to our communities that are beginning to look a little bit exhausted and to create incentives for turning them into quaint, cute, little places. I think that we can do some really good work with it and even if they are not quaint and cute, we can still do some good mixed use things. What my hope would be is in the end, even if we are dropping the amount of possible taxation on it, we are at least getting paid. When we just looked at one hundred thousand dollars (\$100,000) for those units—very good job on the last project that we discussed—if these become somewhat units, lofts, types of things like that, we have housing for relatively less investment and it would be good and perhaps a whole new area for contractors or construction. Those are my thoughts and why I am asking.

Council Chair Kaneshiro: Are there any further questions from the members?

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion? Councilmember Chock.

Councilmember Chock: Thank you, Chair. I just want to thank the Finance Department and Real Property Tax Division. Councilmember Evslin and I have pushed so many different ideas around in trying to problem solve in the last year, that I know we have overwhelmed our leaders at the Administration-level. It is really telling how difficult our Administration team is in a position to be able to administer, because of the lack of capacity around these needs. So I just want to thank them for stretching themselves even further and their prize and needs for assistance in building that capacity has been heard, so anything we can do to build upon that system is where I want to be supportive of as well. Thank you.

Council Chair Kaneshiro: Is there anyone else? Councilmember Evslin.

Councilmember Evslin: I second what Councilmember Chock said and send my apologies over to the Finance Department and Real Property Tax for the

volume of E-mails. I think we have been kicking this around almost a year now and we really have gone through at least three (3) full iterations of completely different draft bills, which these folks have had to game test on their own side to see what is implementable and what is not. The Finance Department, like always, has been great to work with. I think they obviously saw the need from the very beginning as well in moving forward on something like this. Ultimately, we did land on something that I feel is relatively simple; hopefully it is relatively feasible for us to implement and it should help us in moving forward and while we started talking about this in 2019, as Councilmember Cowden has said, I think the need for it is even greater right now as we get more vacant commercial space with more people working from home creating vacant office space. So hopefully we can create those incentives to turn those into residential units, which obviously comes at a good time because Council has just passed a bill allowing residential construction by right in commercial areas, so I think it is really complementary of that. Again, I express my appreciation to the Finance Department and Real Property Tax—you folks have been great and I am excited about this Bill moving forward.

Council Chair Kaneshiro: Is there anyone else? If not, roll call vote.

The motion for passage of Proposed Draft Bill (No. 2795) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for August 5, 2020, and it be referred to the Finance & Economic Development Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Cowden, Evslin, Kagawa, Kualii, Kaneshiro	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Brun	TOTAL – 1*,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Kaneshiro: With that, Clerk, can you read us into Executive Session? We will read it in now, but take it at the end of our meeting today.

#### EXECUTIVE SESSION:

ES-1027 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council, to provide the Council with a briefing and request authority for a possible settlement proposal in a claim filed by Progressive Advanced Insurance Company a/s/o James Vaughn and related matters. This briefing and consultation involves consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

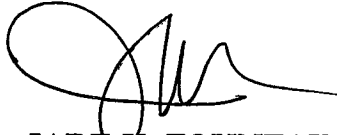
Councilmember Kagawa moved to convene in Executive Session for ES-1027, seconded by Councilmember Chock.

Council Chair Kaneshiro: The motion is carried. That concludes our business on our Council Meeting Agenda. Seeing no further business and hearing no objections, this Council Meeting is now adjourned.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 11:47 p.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA  
County Clerk

:jy

\*Beginning with the March 11, 2020 Council Meeting and until further notice, Councilmember Arthur Brun will not be present due to U.S. v. Arthur Brun et al., Cr. No. 20-00024-DKW (United States District Court), and therefore will be noted as excused (i.e., not present).